

VZCZCXYZ0002
RR RUEHWEB

DE RUEHSG #0297/01 0901845
ZNR UUUUU ZZH
R 311845Z MAR 09
FM AMEMBASSY SANTIAGO
TO RUEHC/SECSTATE WASHDC 4713
INFO RUEHAC/AMEMBASSY ASUNCION 3891
RUEHBO/AMEMBASSY BOGOTA 2347
RUEHBU/AMEMBASSY BUENOS AIRES 1392
RUEHBR/AMEMBASSY BRASILIA 0799
RUEHCV/AMEMBASSY CARACAS 2005
RUEHPE/AMEMBASSY LIMA 6092
RUEHMN/AMEMBASSY MONTEVIDEO 4321
RUEHQT/AMEMBASSY QUITO 2270
RUEAIIA/CIA WASHDC
RHEFDIA/DIA WASHDC
RHEHNSC/NSC WASHDC
RUEATRS/DEPT OF TREASURY WASHDC
RUCPDOC/DEPT OF COMMERCE WASHDC

UNCLAS SANTIAGO 000297

SIPDIS

STATE FOR R/MR, I/PP, WHA/BSC, WHA/PDA, INR/IAA

E.O. 12958: N/A

TAGS: [KMDR](#) [KPAO](#) [PGOV](#) [ECON](#) [PREL](#) [SNAR](#) [EFIN](#) [CI](#)

SUBJECT: CHILE MEDIA REPORT - MARCH 31

Leading Stories

[¶1.](#) There was extensive coverage on the scandal caused by the revelation that Chile's most prominent pharmacy chains Ahumada, Salcobrand, and Cruz Verde, colluded to hike prices on more than 200 products since 2005. The National Economic Attorneys' Office is investigating the alleged collusion. Dailies also report on the Concertacion's first presidential debate last night between Eduardo Frei and Jose Antonio Gomez.

Vice President Biden's Visit

[¶2.](#) Op-ed by American Chamber of Commerce President Ricardo Garcia on Biden's visit: "An official visit to Chile is significant and shows that the new U.S. administration has confidence in Chile, which has shown institutional and economic stability and has proven to be a trustworthy commercial and political partner.... Chile and the United States are joined by more than just flourishing trade. There is also the way in we do business and the strong academic and cultural ties. There is a solid argument for Chile to give priority to and strengthen ties with the United States. We must not lose sight of the signals our most important commercial partner is sending us with the visit of its Vice President" (El Mercurio, conservative, influential newspaper-of-record, circ. 129,000, 3/31).

[¶3.](#) Editorial: "Jose Biden's visit is a valuable sign, although the intensity of Obama's proposed 'new alliance' with Latin America is unpredictable (La Segunda, conservative, afternoon, circ. 33,000, 3/30).

[¶4.](#) Interview with U.S. Ambassador Paul Simons: "The visit of Vice President Biden is a reflection of the great interest (of the United) in listening to the leaders of the hemisphere and in trying to forge a common effort in the Summit of the Americas in Trinidad in mid-April," said Simons. "The summit (in Vina) is a valuable opportunity for our Vice President and leaders of large number of South American countries to have a dialogue before the Summit of the Americas," he added. Simons said that Biden's visit, "is the first of a high-ranking White House official to a Latin American country... and shows that the Obama administration has had a strategy of liaison with the hemisphere from the start" (Regional El Mercurio de Valparaiso, 3/27).

Other U.S.-Related News

¶15. Column by former Finance Minister Hernan Buchi: "The direct involvement of President Obama and his admitting the role banks have played in the crisis could mark the beginning of a new attitude on the part of the United States government. If this is the case, we could be near a path to the final solution to put this crisis behind us" (El Mercurio, 3/31).

¶16. The two Chilean college students murdered in February in Pensacola, Florida were in the United States as part of the World and Travel USA "full program," which guarantees jobs and average pay. But upon arriving to the United States the students found the terms of the program were not being met and asked the Chilean Consulate for assistance. They discovered that the agency was not listed as a 'full program' sponsor, which means that it was not obligated to provide jobs. Reportedly, Work and Travel has the approval of the U.S. government (El Mostrador on-line news agency, 3/31).

¶17. U.S. experts on intellectual and industrial property rights and border issues will participate in two seminars in Iquique, northern Chile, on March 30-31 and April 23 (Iquique digital on-line news, 3/31).

¶18. U.S. beef exports to Chile stopped in 2008 due to labeling issues. Now both governments clarified the provision on labeling and have agreed to renew these exports (El Mostrador, 3/30).

¶19. Chile and the United States agreed to open the U.S. market for Chilean oranges and grapefruit starting May, said the Foreign Ministry's International Economic Relations Bureau Director Carlos Furche (El Mercurio, 3/30).

¶10. Chilean Arturo Valenzuela, Director of Georgetown University's Center for Latin American Studies and former Clinton administration advisor, is the most likely candidate to head the bureau responsible of U.S. relations with Latin America (La Tercera, conservative, independent, circ. 101,000, 3/29).

Local

¶11. Chilean Ambassador to the Czech Republic Marcelo Rozas wrote a column criticizing the purpose of international summits in general. In that column, Rozas made ironic comments about UK Prime Minister Gordon Brown's views on the objectives of the Progressive Governance Summit, which Bachelet was hosting. Reportedly, Bachelet was irritated with Rozas' comments about Brown, one of her important guests at the summit, and asked for the Ambassador's resignation (La Tercera, 3/31).

¶12. A bomb detonated outside a Cruz Verde pharmacy in La Serena on Sunday night causing minor damage (El Mercurio, 3/31).

¶13. March 29, the day of "the Young Combatant," concluded with five injured policemen, several arrests, and one wounded 12-year-old girl who was hit by a rubber bullet. The night of the 29th was marked by violent clashes with the police, as they tried to lift barricades set on major streets and highways, stop the vandalizing of public property, looting, and the throwing of metal chains at light posts to cause power outages in many of the capital city's southernmost neighborhoods (All dailies, 3/30).

SIMONS